

Preparing for Retirement

PEBB Health Insurance Options Checklist

For

State, Higher Education, or Participating Political Subdivision Employees Considering Retirement or Separation from Employment

As an employee of the state or a participating political subdivision or if you are an employee retiring from a higher education institution under DRS, you may be eligible for PEBB (Public Employees Benefits Board) retiree health insurance. Please review these materials to familiarize yourself with procedures to enroll now or protect this benefit in the event you wish to enroll in the future.

PEBB provides a quality, comprehensive insurance package for the employees of the state, participating political subdivision and higher education institutions. While you were an active employee on PEBB your employer has been contributing to a fund that supports the premiums for PEBB retiree insurance so PEBB may be a good value for you.

There are three general eligibility requirements to receive PEBB retiree health insurance:

- You must enroll or defer coverage no later than 60 days after your employer-paid or COBRA coverage ends. If you miss that 60-day window, you lose all rights to enroll in the PEBB Program in the future. To regain eligibility you would have to return to work in a PEBB benefits eligible position.
- You must be vested in a Washington state-sponsored retirement plan or meet the same age and years of service as is required of state-sponsored retirees (see section F below for details).
- You must receive a monthly retirement plan payment or a lump sum payment as allowed by the plan, with one exception. Plan 3 members do not have to receive a retirement plan payment or a lump sum actuarially equivalent payment as allowed by the plan but must meet the age and length of service requirements.

Depending on your situation, you may be able to enroll in PEBB retiree health insurance now or take action to protect your eligibility in the event you wish to enroll in the future. Six scenarios are described below. Find the one that fits your situation and read about your options:

- A. If you are retiring and meet the DRS criteria for retirement, go to section A.
- B. If you are separating employment and do not meet the criteria for retirement according to DRS, go to section B.
- C. If you are enrolling in COBRA through your employer or used COBRA as a “bridge” to retirement, go to section C.
- D. If you are retiring, separating employment, or leaving employment under a disability retirement, go to section D.
- E. If you are a DRS Plan 3 member separating from employment and you meet age and years of service requirements for the retirement plan, go to section E.
- F. If you are retiring or separating employment and are not participating in or retiring under a Washington state-sponsored retirement plan, go to section F.

A. Retiring *(Meet DRS retirement eligibility)*

1. Enrolling in PEBB retiree insurance

a. **6 months** prior to retirement

- ☐ Contact DRS at 1-800-547-6657 or go to www.drs.wa.gov to request an estimate of your benefit, and if you have not already done so, register for a retirement seminar.

b. **3 months** prior to your 65th birthday or terminating employment at age 65 or older

- ☐ Contact the Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover under PEBB coverage are entitled to Medicare due to either age (65) or disability.

c. **3 months** prior to retirement

- ☐ Request a retiree packet for health insurance information from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications).

d. **30-60 days** prior to retirement

- ☐ Submit your retirement application to DRS.
- ☐ If you are eligible for PEBB health care coverage and wish to enroll, send your *PEBB-Sponsored Retiree Coverage Election Form*, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to the PEBB at the address provided in Section 8 of the election form.
- ☐ Submit the *Retiree Coverage Election Form* to PEBB no later than 60 days after employer-paid insurance or COBRA coverage ends.

2. Deferring PEBB retiree insurance

a. **30-60 days** prior to retirement

- ☐ Request a retiree packet for health insurance from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. They will send you a complete retiree insurance packet (including applications).
- ☐ If you are eligible for PEBB health care coverage and wish to defer your PEBB retiree coverage, you must be:
 - Enrolled in your own or your spouse's or state registered domestic partner's comprehensive employer-paid coverage (does not include employer's retiree coverage with the exception of a federal retirement plan); or
 - Enrolled in your COBRA coverage; or
 - Enrolled in a federal retiree program, for example, TRICARE.
- ☐ Make 2 copies of your completed *Retiree Coverage Election Form*, submit one copy to PEBB and keep a copy for your files. The form should be submitted to PEBB no later than 60 days after your employer-paid insurance coverage ends.

B. Employment Ending without Retirement (e.g. resignation, layoff)

If you do not meet the DRS criteria for retirement when your employment ends or you choose not to retire, you may have the option to use COBRA coverage as a “bridge” to retirement. To use COBRA as a “bridge” to retirement, you must enroll in COBRA coverage and meet the DRS criteria for retirement when your COBRA coverage ends.

If you are not eligible to retire according to the DRS requirements when you separate from employment or when your COBRA coverage ends, you are not eligible for PEBB retiree coverage.

If you are eligible to retire when your COBRA coverage ends and plan to apply for PEBB retiree coverage, go to Section C.

If you are a member of a DRS Plan 3 retirement system separating employment and have met the age and length of service requirements for your plan, but are not retiring with DRS, go to Section E.

C. COBRA (Consolidated Omnibus Budget Reconciliation Act of 1986)

COBRA is a continuation of health coverage for individuals and families, at the individual’s own expense, when the individual terminates employment.

1. If you wish to enroll in COBRA, submit your application to PEBB. Applications are available in a COBRA booklet available by calling PEBB at 1-800-200-1004 (in the Olympia area – 360-725-0440) or on the PEBB website at www.hca.wa.gov/pebb.
2. When COBRA coverage ends, you may be eligible to enroll in or defer PEBB retiree coverage.

If you wish to apply for PEBB retiree coverage when your COBRA coverage ends, at the time of application you must meet the requirements of your DRS retirement plan to be eligible to enroll or defer PEBB retiree coverage. If you are unsure of the eligibility requirements for PEBB retiree coverage, please contact PEBB Customer Service at 1-800-200-1004 or 360-725-0440 in the Olympia area.

- a. **6 months** prior to COBRA coverage ending
 - ☐ Contact DRS at 1-800-547-6657 or go to www.drs.wa.gov to request an estimate of your benefit, and if you have not already done so, register for a retirement seminar.
- b. **3 months** prior to your 65th birthday or terminating employment at age 65 or older
 - ☐ Contact the Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover under PEBB coverage are entitled to Medicare due to either age (65) or disability.
- c. **3 months** prior to COBRA coverage ending
 - ☐ Request a retiree packet for health insurance from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications and all the information you need).
- d. **30-60 days** before your COBRA coverage ends
 - ☐ Submit your retirement application to DRS.
 - ☐ If you are eligible for PEBB health care coverage and want to enroll, send your *PEBB-Sponsored Retiree Coverage Election Form*, proof of continuous COBRA coverage, a copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month’s health coverage premium (if not using pension deduction) to the PEBB.

- ☐ Submit the *Retiree Coverage Election Form* to PEBB no later than 60 days after COBRA coverage ends.
- 3. Deferring PEBB retiree insurance
 - a. **30-60 days** prior to COBRA coverage ending
 - ☐ If you are eligible for PEBB retiree health care coverage after COBRA coverage ends and wish to defer your PEBB retiree coverage, you must be:
 - Enrolled in your own or your spouse or Washington state-registered/qualified domestic partner's comprehensive employer-paid coverage (does not include employer's retiree coverage with the exception of a federal retirement plan); or
 - Enrolled in a federal retiree program, for example, TRICARE.
 - ☐ Make 2 copies of your completed *Retiree Coverage Election Form*, submit one copy to PEBB and keep a copy for your files. The form must be submitted no later than 60 days after COBRA coverage ends.

D. Disability Retirement (*Meet PEBB eligibility and procedural requirements per WAC 182-12-171*)

- ☐ Request a disability estimate from DRS. Call 1-800-547-6657 or 360-664-7000 in the Olympia area to discuss eligibility.
- ☐ Contact the Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability.
- 1. Enrolling in PEBB retiree coverage:
 - ☐ Once you are approved by DRS for Disability Retirement, request a retiree packet for health insurance from the PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications).
 - ☐ If you are eligible for PEBB retiree health care coverage and want to enroll, send your application, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to the PEBB no later than 60 days after the date on the approval letter from DRS.
- 2. Deferring PEBB retiree insurance
 - ☐ Once you apply and are approved by DRS for Disability Retirement, if you're eligible for PEBB retiree health care coverage and wish to defer your PEBB retiree coverage, you must be:
 - Enrolled in your own or your spouse's or state registered domestic partner's employer-paid coverage (does not include employer's retiree coverage with the exception of a federal retirement plan); or
 - Enrolled in COBRA coverage; or
 - Enrolled in a federal retiree program, for example, TRICARE.
 - ☐ Make 2 copies of your completed *Retiree Coverage Election Form*, submit one copy to PEBB and keep a copy for your files. The form must be submitted to PEBB no later than 60 days after the date on your approval letter from DRS.

E. Separating Employment *(DRS Plan 3 members not retiring, but meet DRS requirements)*

1. Enrolling in PEBB retiree insurance
 - a. **3 months** prior to separating employment
 - ☐ Request a retiree packet for health insurance information from PEBB.
Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications).
 - b. **3 months** prior to your 65th birthday or separating employment at age 65 or older
 - ☐ Contact the Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover under PEBB coverage are entitled to Medicare due to either age (65) or disability.
 - c. **30-60 days** prior to retirement or separating employment
 - ☐ If you are eligible for PEBB retiree health care coverage and want to enroll, send your *PEBB-Sponsored Retiree Coverage Election Form*, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to the PEBB at the address provided in section 8 of the election form.
 - ☐ Submit the *Retiree Coverage Election Form* to PEBB no later than 60 days after employer-paid insurance coverage ends.
2. Deferring PEBB retiree insurance
 - a. **30-60 days** prior to separating employment
 - ☐ Request a packet for health insurance from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications).
 - ☐ If you are eligible for PEBB retiree health care coverage and wish to defer your PEBB retiree coverage, you must be:
 - Enrolled in your own or your spouse's or state registered domestic partner's employer-paid coverage (does not include employer's retiree coverage with the exception of a federal retirement plan); or
 - Enrolled in your COBRA coverage; or
 - Enrolled in a federal retiree program, for example, TRICARE;
 - ☐ Make 2 copies of your completed *Retiree Coverage Election Form*, submit one copy to PEBB and keep a copy for your files. The form must be submitted to PEBB no later than 60 days after employer-paid insurance or COBRA coverage ends.
3. When you are ready to retire *(receive your monthly retirement plan payment)*
 - a. **6 months** prior to retirement
 - ☐ Contact the DRS at 1-800-547-6657 or go to www.drs.wa.gov to request a retirement estimate and if you have not already done so, register for a retirement seminar.
 - b. **30-60 days prior to retirement**
 - ☐ Submit your retirement application to DRS.

F. Retiring or separating employment and not participating in or retiring under a Washington state-sponsored retirement plan

1. Enrolling in PEBB retiree insurance

a. 6 months prior to retirement

- ☐ Contact your Personnel/Payroll/Benefits office to help determine if you meet the procedural and eligibility requirements to enroll in PEBB Retiree Insurance as defined in WAC 182-12-171.

b. 3 months prior to your 65th birthday or terminating employment at age 65 or older

- ☐ Contact the Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover under PEBB coverage are entitled to Medicare due to either age (65) or disability.

c. 3 months prior to retirement

- ☐ Request a retiree packet for health insurance information from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. PEBB will send you a complete retiree insurance packet (including applications).

d. 30-60 days prior to retirement

- ☐ If you are eligible for PEBB health care coverage and wish to enroll, send your *PEBB-Sponsored Retiree Coverage Election Form*, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium to the PEBB at the address provided in Section 8 of the election form. The form must be submitted to PEBB no later than 60 days after your employer-paid insurance or COBRA coverage ends.

2. Deferring PEBB retiree insurance

a. 6 months prior to retirement

- ☐ Contact your Personnel/Payroll/Benefits office to help determine if you meet the procedural and eligibility requirements to defer PEBB Retiree Insurance as defined in WAC 182-12-171.

b. 30-60 days prior to retirement

- ☐ Request a retiree packet for health insurance from PEBB. Call 1-800-200-1004 or 360-725-0440 in the Olympia area. They will send you a complete retiree insurance packet (including applications).
- ☐ If you are eligible for PEBB health care coverage and wish to defer your PEBB retiree coverage, you must be:
 - Enrolled in your own or your spouse's or state registered domestic partner's comprehensive employer-paid coverage (does not include employer's retiree coverage with the exception of a federal retirement plan); or
 - Enrolled in your employer's COBRA coverage; or
 - Enrolled in a federal retiree program, for example, TRICARE.
- ☐ Make 2 copies of your completed *Retiree Coverage Election Form*, submit one copy to PEBB and keep a copy for your files. The form should be submitted to PEBB no later than 60 days after your employer-paid insurance coverage ends.